## Before the Federal Communications Commission Washington. P.C. 20554

OKE COMPLETE In the Matter of Implementation of Section 309(j) MM Docket No. 97-234 of the Communications Act - Competitive Bidding for Commercial Broadcast and Instructional Television Fixed Service Licenses Reexamination of the Policy Statement GC Docket No. 92-52 on Comparative Broadcast Hearings Proposals to Reform the Commission's GEN Docket No. 90-264 Comparative Hearing Process to Expedite the Resolution of Cases

## PETITION FOR PARTIAL RECONSIDERATION

TO:

The Full Commission

Monroe-Stephens Broadcasting, Inc. ("Monroe-Stephens"), by its attorney, hereby respectfully requests the full Commission to partially reconsider its First Report and Order in the above proceeding, in so far as that report deals with the acceptance and processing of applications for major changes in AM stations.

1. Monroe-Stephens is the licensee of AM Broadcast Station KJON, Anadarko, Oklahoma. Monroe-Stephens has made a determination that the public interest would be served by a change in the community of license of Station KJON. Monroe-Stephens has been in contact with an engineer and has been planning to file such an application as soon as the Commission lifted the

freeze which it had imposed, pending the development of new rules for the auction of broadcast spectrum.

- 2. By First Report and Order, released in this proceeding on August 18, 1998, the Commission did, in fact, adopt new rules for the processing of AM, FM and TV applications. It did not, however, lift the freeze on AM applications. Instead it adopted a new system, the "window system", pursuant to which applications for new AM stations and major changes in the facilities of existing AM stations may be filed only during certain specified windows, announced in advance by the Commission. In making this change, the Commission commented that it did so, at least in part, because it received very few comments in opposition to the window proposal set forth in the Notice of Proposed Rule Making in this proceeding. First Report and Order, at para. 140.
- 3. Monroe-Stephens was unaware that the Commission was anticipating such a drastic change in the procedures applicable to the filing of AM application. Had Monroe-Stephens been aware that such a drastic change was contemplated, it would certainly have filed comments in opposition to the change.
- 4. As the Commission must be aware, the filing of mutually exclusive applications for new AM stations or changes in the facilities of existing stations is a rare occurrence. In those rare instances where a conflicting application may be filed, it is commonplace for the mutual exclusivity to be resolved by the applicants, themselves, either by a change in directional antenna pattern or by interference reduction agreements. Therefore, in recent years, the Commission has seldom been obliged to hold a comparative hearing involving AM applicants.
- 5. For the same reason, the number of AM applications which are likely to be auctioned off in the future are surely very small. Under these circumstances, the window filing

procedure, which makes no sense for FM and TV applications, really makes no sense at all when applied to AM. For many years, AM spectrum has been allotted on a demand basis, <u>i.e.</u>, individuals have been free to identify a need for a new or expanded AM broadcast station and to use the services of private engineers to develop engineering proposals to meet the need.

- 6. Recently, to their great credit, the Congress and the FCC have both moved to deregulate the broadcast industry and to make the FCC more responsive to free market conditions. On June 11, 1998, acting in MM Docket No. 98-93, the FCC adopted a Notice of Proposed Rule Making, looking towards a rule which would allow negotiated interference reduction agreements in the FM broadcast service. Heretofore, the location of FM transmitter sites has been specified by government decree; a site had to be situated in accordance with arbitrary spacings requirements set forth in the Commission's Rules. In its forward thinking action in Docket 98-93, the Commission proposes to change all of that and to allow individual broadcasters to decide whether it is in their interest and the public interest to allow short spacings in order to better serve public needs.
- 7. Regrettably, the window filing system for AM applications adopted in this proceeding is a step backward. It places a burden on individual entrepreneurs who might wish to establish a new AM station or improve the facilities in an existing AM station, by requiring them to file their applications only at times specified by the FCC. During those specified time periods, the engineering profession will be extremely burdened, trying to meet the deadline. Hence, there exists a greater possibility that there will be a mistake in the application and the fees charged to individual applicants are likely to be greater than with the present system, where an application can be filed at any time when an applicant determines that there is a need for a new or expanded AM service. The public will also lose out, because of the loss of flexibility in the ability of individual

entrepreneurs to timely satisfy public needs.

8. For these reasons, Monroe-Stephens respectfully requests the Commission to partially reconsider its <u>First Report and Order</u> and to retain the current system for the filing and processing of AM applications. Under that system, an application may be filed at any time. After it is filed, the Commission issues a public notice, providing a 30 day time period for the filing of objections or competing applications. Competing applications are rarely filed in the AM service, and they are especially rare in the case of changes in the facilities of existing AM stations. If there should be competing applications, the Commission now has the authority to resolve the mutual exclusivity by simply holding an auction. This is what the Commission should do.

Respectfully submitted,

September 3, 1998

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